

## Message Text

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ACTION AF-18

INFO OCT-01 ISO-00 L-03 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07 OPIC-12

SPC-03 CIEP-02 LAB-06 SIL-01 OMB-01 DODE-00 PA-04

USIA-15 PRS-01 SAM-01 DRC-01 EUR-25 DOTE-00 /145 W

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R 201128Z FEB 74

FM AMEMBASSY LAGOS

TO SECSTATE WASHDC 2832

UNCLAS LAGOS 1423

E.O. 11652: N/A

TAGS: EGEN, NI

SUBJ: INDIGENIZATION DECREE MODIFIED

REF: IBADAN 63

1. PRESS CONFERENCE BY FEDERAL COMMISSIONER FOR INDUSTRY, DR. J.E. ADETORO ON FEBRUARY 18, DISCLOSED PUBLICLY THAT FEC HAS MODIFIED NIGERIAN ENTERPRISES PROMOTION DECESS TO GIVE PARTIAL RELIEF TO FIRMS ACTIVE IN "HAULAGE OF PETROLEUM PRODUCTS." ORIGINAL TEXT OF DECREE HAD SUBJECTED ALL FIRMS IN ROAD HAULAGE" TO 100 PERCENT NIGERIAN OWNERSHIP, BUT NEW MODIFICATION WILL REQUIRE BUT 40 PER CENT NIGERIAN OWNERSHIP TO FIRMS HAULING PETROLEUM PRODUCTS. ADETORO JUSTIFIED THIS CHANGE BY NOTING THAT NIGERIAN-OWNED TRANSPORT FIRMS LACKED "TANKERS AND NECESSARY EQUIPMENT". THIS PUBLIC ANNOUNCEMENT CONFIRMS PRIVATE DISCLOSURE OF SECRETARY OF WESTERN STATE'S INDIGENIZATION COMMITTEE REPORTED IN IBADAN 63.

2. ADETORO ALSO STATED THAT "MUCH CONTROVERSY, HAS SURROUNDED THREE ITEMS ON SCHEDULE 1 OF DECREE WHICH LISTED THOSE ENTERPRISES TO BE RESTRICTED TO 100 PER CENT NIGERIAN OWNERSHIP. IN ADDITION "ROAD HAULAGE", THESE ARE "CLEARING AND FORWARDING AGENCIES" AND "ASSEMBLY OF RADIOS, UNCLASSIFIED

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RADIOGRAMS, ROCORD CHANGERS, TELEVISION SETS, TAPE RECORDERS,

AND OTHER ELECTRIC DOMESTIC APPLIANCES NOT COMBINED WITH MANUFACTURE OF COMPONENTS." ADETORO STRESSED THAT COMPANIES ACTIVE IN "MANUFACTURING RADIO AND ELECTRONIC PARTS" WOULD BE ALLOWED TO CONTINUE OPERATIONS. HE SPECIFICALLY CITED TWO SUCH ELECTRIC APPLIANCE FIRMS -- THE DUTCH-OWNED PHILIPS NIGERIA LIMITED AND THE GERMAN-OWNED WEIDE AND COMPANY NIGERIA LIMITED, THE LATTER THE LOCAL DISTRIBUTOR OF U.S. PILCO-FORD PRODUCTS. ADETORO ALSO ANNOUNCED THAT AN INTERMINISTERIAL BOARD HAD BEEN ESTABLISHED TO REVIEW REQUESTS OF EXPRIATE FIRMS WITH 40 PER CENT NIGERIAN PARTICIPATION TO CONTINUE TO CLEAR THEIR OWN GOODS.

3. IN JUSTIFYING CHANGES IN DECREE, ADETORO NOTED THAT BASIS GOAL OF DECREE WAS EXPANDED NIGERIAN PARTICIPATION AND "NOT TO DRIVE AWAY FOREIGNERS." HE WARNED, HOWEVER, THAT THE FMG "WOULD NOT TOLERATE ANY FOREIGNER WHO HAD NO GENUINE REASON FOR FAILING TO COMPLY WITH THE DECREE WHEN IT COMES INTO OPERATION ON APRIL 1."  
REINHARDT

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PRIVATE ENTERPRISE, PETROLEUM PRODUCTS, HIGHWAY TRANSPORTATION, PRESS CONFERENCES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 20 FEB 1974  
**Decaption Date:** 01 JAN 1960  
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**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 JAN 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Reference:** IBADAN 63  
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**Status:** NATIVE  
**Subject:** INDIGENIZATION DECREE MODIFIED  
**TAGS:** EGEN, NI, (ADETORO, J F)  
**To:** STATE  
**Type:** TE  
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